

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

67Hg
pop. 4
nc.



THE Agricultural Situation

JULY 1954

Volume 38, Number 7

LIBRARY
CURRENT SERIAL RECORD

JUL 21 1954

IRRIGATION & BETTER PASTURES

★ ★ ★ FOR DAIRY COWS

MANY DAIRY FARMERS in Eastern United States may find it to their advantage to use supplemental irrigation in order to provide better pastures for their dairy cows. Even though there is usually enough rain to keep pastures growing throughout the season, a dry spell can greatly reduce grazing capacity which adversely affects feeding costs.

Being prepared to supply additional water when it is needed may prove to be good insurance against loss of pasture, during the hot, dry months of summer and fall . . . possibly save enough pasture in one or two dry years to pay the cost of irrigation equipment. Conditions for supplying irrigation water vary, of course, among different farms, and farmers will want to do some figuring before making a final decision. (You may have read the more general article, "Supplemental Irrigation in Our Humid Eastern States," which appeared in the August 1953 *Agricultural Situation*.)

If you are considering the possibility of installing irrigation equipment for your pastures, you will want to know what the irrigation is likely to cost. . . . Make certain the water supply is adequate, *even for severe drought*; and be sure the pasture treatment will support the practice of irrigation—the right grasses, a good stand, enough fertilizer.

Tests providing such information have been under way at Lewisburg, Tennessee, for the past 3 years. These tests, made cooperatively by the U. S. Department of Agriculture and the Tennessee Dairy Experiment Station, leave little doubt that supplemental irrigation for dairy cow pastures can be a worthwhile investment.

Returns \$100 More Per Acre

In the Tennessee tests, returns from pastures that were irrigated averaged about \$100 more per acre than similar pastures that were unirrigated—after deducting cost of irrigation and other costs. The tests compared irrigated orchard grass, alfalfa, and ladino pasture with unirrigated. Annual applications of fertilizer and rotational grazing practices were the same for both

THE AGRICULTURAL SITUATION is a monthly publication of the Agricultural Marketing Service, U. S. Department of Agriculture, Washington, D. C. The printing of this publication has been approved by the Director of the Budget (January 18, 1952). Single copy 5 cents, subscription price 50 cents a year, foreign 70 cents, payable in cash or money order to the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

In This Issue

Page

Irrigation and Better Pastures for Dairy Cows.....	1
Outlook Highlights.....	2
Less Shipping Damage to Watermelons When Loaded Crosswise...	3
If Someone Took A Gun and Killed...	4
Many Changes . . . But Farms Mainly Are Family Run.....	5
Market Reports Help Farmers To Keep Posted.....	7
Spring Pig Crop Up 13 Percent.....	10
Brief Items of Interest to Farmers...	11
"Bert" Newell's Letter.....	13
Controls on Next Year's Wheat....	16

* * *

The Agricultural Situation is sent free to crop, livestock, and price reporters in connection with their reporting work. Subscription rates on front cover.

Outlook Highlights

. . . July 1954

ECONOMIC ACTIVITY has been generally stable during the past quarter, following an earlier decline. Consumer income available for spending and the domestic demand for farm products continued near the record level reached in the first quarter of this year. Foreign takings of farm products are about the same as a year earlier.

PRICES RECEIVED BY FARMERS dropped 4 percent last month, mainly because of a sharp decline in hog prices. Until June, farmers prices had changed very little, on the average, from a year earlier. Prices paid have held fairly steady on the average . . . up about 2 percent from year ago.

WHEAT PRODUCTION was estimated on June 1 at 1 billion bushels, 189 million bushels less than in 1953. Reduction is due to lower acreage resulting from allotments. Crop includes 740 million bushels of winter wheat and 260 million spring. A wheat crop of this size probably would moderately exceed domestic use and exports in 1954-55. Stocks, however, would increase much less than in either of the last 2 years. Carry-over has risen from 256 million bushels on July 1, 1952, to 900 million estimated for July 1 of this year.

CATTLE PRICES in early June (for most grades and classes) were generally close to a year earlier. The increase in the number of cattle moved into feedlots this winter and spring probably will prevent the mid-summer advance in prices that occurred last year. Generally stable prices are the most likely prospect. Grass cattle and lamb prices are expected to decline seasonally.

(Continued on page 12)

irrigated and unirrigated pastures.

The average cost of irrigation (*labor, gasoline, oil, repairs and depreciation on irrigation equipment*) was \$49.64 per acre, to provide nearly 20 inches of water during the season. Natural rainfall totaled an average of about 21 inches. After taking off the additional cost for irrigation and the value of feed, the irrigated plots produced an income of \$388.78 per acre compared with \$289.10 from the unirrigated plots. This was a net increase of \$99.68 per acre in favor of irrigation. Figures are average results for the past 3 years.

Eighteen applications of water, a total of 24.3 inches, were made in 1951; *twelve* applications, totaling 14.8 inches, in 1952; and *nine* applications, totaling 20.7 inches, in 1953. This means an average of *thirteen* applications and an average total of 19.9 inches of water per season.

81 More Days Grazing

It was found that the irrigated plots provided 257 cow-days of grazing per acre against 176 days for the unirrigated plots. The irrigated plots produced 12,520 pounds of milk and 523 pounds of butterfat per acre against 8,019 pounds of milk and 354 pounds of butterfat. Digestible nutrients pro-

duced on the irrigated plots totaled 4,107 pounds per acre as against only 2,815 pounds per acre on the unirrigated plots.

"With all 3 years extremely dry, the advantages of pasture irrigation naturally show up sharply in this particular study," the scientists conducting the tests point out. "Pasture irrigation would seem to pay well, especially in extremely dry years, where costs of installing irrigation equipment are not too great, where the source of water is adequate, where sufficient fertilizer is used and good pasture management is practiced."

Less Shipping Damage to Watermelons When Loaded Crosswise in Cars

DAMAGE to Congo variety watermelons during rail shipment can be cut by about two-thirds through loading the melons crosswise in freight cars rather than in the conventional *lengthwise* manner, results of a U. S. Department of Agriculture marketing study show.

Based on extensive shipping tests on watermelons moving from Southern States to various destinations during the 1953 season, the report issued by USDA's *Agricultural Marketing Service* shows that crosswise loading resulted in 70 percent less bruising, 69 percent fewer cracked melons, and 47 percent less surface scarring than in comparable shipments loaded lengthwise.

The greatest damage to melons in transit is caused by bruising and cracking. Shipments of 50 test cars loaded crosswise and 52 check cars loaded in the conventional manner were covered by the study.

No Extra Loading Cost

Although the tests in 1953 made no direct comparisons of the time required for loading cars according to crosswise and lengthwise methods, preliminary observations indicated that the new method of loading would require little or no increase in loading time or in material costs.

Additional shipping tests on watermelons are currently under way and the Department expects that further improvements and refinements in loading will be developed. In this year's study, approximately 30 cars of melons had been checked to June 1. It has been found that several variations of crosswise loading can be used to fit different loading situations such as the size of melons to be loaded and the number in a carload.

The substantial reduction in damage achieved through crosswise loading is attributed to the fact that the force of *in-transit* impacts is dispersed over a

greater area of the thick rind on the sides of the melons as compared with the smaller area of thin rind at the blossom ends which must absorb this shock in melons loaded lengthwise.

The Congo melon, a long-type heavy producer developed by the U. S. Department of Agriculture, has become popular with both growers and consumers. Shipments of this watermelon from Southeastern producing areas have increased considerably in recent years. Carlot unloads of the Congo variety at 41 rail terminals in the East increased from 675 cars in 1950 to 4,289 cars in 1953. Indications are that production of the Congo and several other new varieties, having its same general shape and characteristics, will increase substantially in the next few years.

Shipping Losses Heavy in 1952

The average damage rate in rail shipments of watermelons during the 1952 season was approximately 6.3 percent of the melons shipped. On the basis of 23,828 cars of melons originating during that season, the equivalent of approximately 1,500 carloads of melons were, in effect, consigned to the garbage dump, the report explained. Total loss to railroads alone was \$1,207,210 during the 1952 season, according to data from the Association of American Railroads cited in the report.

The study has developed considerable interest in the watermelon trade. Copies of the report, "Studies of Watermelon Loading for Rail Shipment, 1953," Marketing Research Report No. 62, are available from the *Agricultural Marketing Service*, U. S. Department of Agriculture, Washington 25, D. C.

The study, conducted in part under authority of the Agricultural Marketing Act of 1946, was made in cooperation with southern railroads, shippers and distributors, and the Agricultural Experiment Stations of Georgia, Florida, and South Carolina.

If Someone Took A Gun and Killed 38 of Your Subscribers

... THESE WERE the exact words Dan Thompson of the National Safety Council used some time ago to begin a letter to the editor of the *Agricultural Situation*.

"If someone killed 38 of your subscribers," he went on to say, "I am sure you would be up in arms about the matter, and would do everything you could to stop the killer from repeating his performance." He was talking about accidents—the killer which last year took the lives of 14,000 farm residents and injured more than a million.

And, as Dan Thompson further points out: If the day you read this is an average day, 38 farm residents will be killed in accidents . . . 38 today, 38 tomorrow, and 38 every day of the year! Farm people killed! At work, at play, or in traffic accidents!

"And some of these," he added, ". . . some of these will be your subscribers . . ."

He wanted me, the editor of the *Agricultural Situation* to do something about it, and we did. In our last issue we ran President Eisenhower's message to the Nation proclaiming the week of July 25-31 as "National Farm Safety Week." In the same issue, we also used two farm safety articles. But that is not enough. We must try to get you, the quarter million subscribers of the *Agricultural Situation* also "to do something about it."

You will be reading the July issue just before Farm Safety Week, and we must not let you forget. You see, this job of preventing farm accidents isn't a job for editors alone. It is a job for everyone—primarily for the farm people themselves, for those who may be killed or injured.

What You Can Do

First, you can become accident conscious and help your neighbors to become accident conscious. There would be fewer accidents if more people just

stopped to think of the ordinary dangers that lie ahead. Many believe that the heavy toll of traffic accidents among young people is largely because they have not accepted the fact that operating a motor vehicle *can be* dangerous.

Read again the "10 Commandments for Living Safely" which appeared in the June issue of the *Agricultural Situation*. Clip them and paste them on the dashboard of your car, or where they can be seen daily.

Secondly, talk farm safety at your community meetings, at church, at your grange. Encourage the Boy Scouts to start some kind of a safety project. Or maybe some "live wire" in your community can reach all the young people in a positive, constructive way by organizing a safety club. Traffic officers, the sheriff of the county, the coroner, your doctor, head of the nearest rotary or other civic club, principal of your school, your local editor and your county agricultural agent are among those whom you might get to address your meeting or help with such a program.

If you need circulars and statistical material on farm safety, write to the Farm Division, National Safety Council, 425 North Michigan Avenue, Chicago 11, Illinois.

Do you have a drivers' training course for beginners in your high school? Maybe you will want to take steps to start such a class. Your AAA or other local automobile association would help with this. If your first safety meeting does no more than prepare posters, calling attention to Farm Safety Week, July 25-31, and carrying the slogan "Farm to Live and Live to Farm," a good start will have been made. Post one somewhere on every farm; put one on every automobile and truck in your community.

Finally, do some thinking for yourself. Among the quarter million readers of the *Agricultural Situation*, there should be many good ideas that can lead to fewer accidents on farms and in traffic. If you have such ideas send them in to the Farm Division, National Safety Council, at the address given above. Also, put your suggestions in a letter to the editor of your local newspaper. Remember, in this democracy of ours, the most effective ideas come from the citizens out on the land who make their wishes known.—Editor

Many Changes . . . But Farms Mainly Are Family Run

WE LIVE in a time of change. Nowhere is this more true than in agriculture. While the total population of this country doubled from 1900 to 1950, population on farms decreased by a fourth. But each man-hour worked on farms in 1950 produced more than twice as much as in 1910, so total farm output rose 75 percent in these 40 years despite the smaller number of farm people. The general reasons for this great gain in farm efficiency are familiar—the application of technology in many forms.

Change came to the farmer's way of life as well as to his way of work. Consider the matter of isolation, imposed by the barriers of space that for ages past separated farm from city. At the opening of the century we were just beginning to break through this space barrier. Rural free delivery of mail began in 1896 and the first telephone lines came soon after. As the century unfolded, the Model T, improved highways, electricity, radio, television, and the myriad devices for making life more pleasant came along one after another. Farm and city became one world in fact.

In the seasons' round of work on the farm, mechanization is the most obvious phase of technology. Trucks, tractors, and electricity have turned upside down all earlier ideas about work in farming. Power brought in its wake a whole galaxy of mechanized tools and equipment. Not only plows, harrows,

New Focus On A Changing Structure

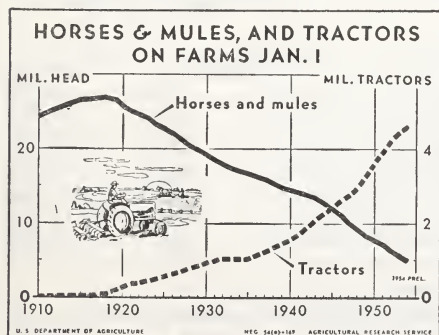
ALARGE proportion of both the farmers and city folk who carry on the Nation's varied activities today were born on the farm. The farm life they knew was that of 30, 40, or 50 years ago, or more. The picture we are likely to have in our mind's eye today—many of us—is what the farm was like a half century ago. And yet, we know, when we stop to think, many things have happened to change that picture—physically, financially, economically and socially. Even though we have grown up in the midst of these changes, they are so vast and *interlocking*, we need someone to tell us what the changes have meant to farming and farm life. We need a *fresh* picture . . . else we will fail to grasp the significance of Agriculture as it really is today.

A little of the changed picture is given us by Ronald Mighell in the accompanying article. To get a fuller and more detailed picture, we must await the publication of a new book by the same author soon to be published. The book of some 300 pages, just completed in manuscript form, is to be called "American Agriculture . . . Its Structure and Place in the Economy." It is one of a series sponsored by the Social Science Research Council in cooperation with the U. S. Department of Agriculture and the Bureau of the Census, Department of Commerce.

cultivators, mowers, hay loaders, and other traction equipment, but a score of stationary-powered machines—pumps, elevators, silage cutters, shop tools, and so on. More flexible power also brought many combinations of drawbar, belt, and power takeoff. The combine-harvester in its various forms exemplifies a kind of "processing-factory-in-motion."

The adjacent chart illustrates the progressive shift from horse-and-mule power to tractor power since 1918. In this period horse and mule numbers declined from a peak level of nearly 25 million head to about 5 million and they are still dropping. Tractor numbers increased every year since 1910 except for a short time in the depression in the early 1930's.

The shift in farm power and mech-



anization was the most dramatic change in the range of technology, but other developments were significant even though less spectacular. Improvements in crop and livestock yields came about through new knowledge based on research in feeding, fertilizing, and breeding of plants and animals. Investigations of diseases and pests and other causes of waste and loss further augmented output of food and fiber. Long lists of amazing discoveries and improvements have been made. These extend from such things as hybrid seed corn with its 20 percent boost in average yields of commercial corn to such discoveries as hormone sprays to control fruit drop. The farmer today is an expert technician in many fields.

The Family-Scale Farm

How about the *family-scale* farm? Has technology placed it in eclipse? Is the large-scale farm replacing it? Let's look at what the 1950 Census found. The census first divided the 5.4 million farms found in 1950 into two groups, 3.7 million commercial farms and 1.7 million noncommercial farms. The latter are mainly part-time and residential farms; they accounted for only 2.5 percent of the value of farm products sold in 1949.

Commercial farms provided 97.5 percent of the farm sales in 1949. They were divided into economic classes on the basis of sales. The three main

classes were large-scale, family-scale, and small-scale. The large-scale were all those with \$25,000 or more sales; the family-scale were those with \$1,200 to \$25,000; and the small-scale were those between \$250 and \$1,200, unless they had enough off-farm work or income to be classed as part-time farms.

The family-scale farms made up nearly 80 percent of all commercial farms in number and had about 70 percent of the value of farm products sold. True enough the large-scale farms produced about a fourth of the farm products sold. And it is sure that some of the large cattle and wheat ranches, the cotton plantations, giant citrus groves, and other super-scale farms make headlines and feature stories. But most of the farms and most farm businesses are still in the *family* class.

Actually, too, the *average* large-scale farm, in *business language*, is a *family* concern. A factory, and even many a retail establishment, with an annual wage bill of \$9,000 and a gross sales turnover of \$56,000 would be considered a rather small city business. Yet these were about what average large-scale farms had in 1949.

Averages may be misleading, but the essentially *family-scale* character of agriculture is reflected in the accompanying table which contrasts average income per firm, before taxes, in 1950 for major industries in this country.

Ronald L. Mighell
Agricultural Research Service

Number of Business Firms by Major Industry Groups, and Income per Firm, Including Agriculture ¹

Industry	Number of firms	Income per firm
	Thousands	Dollars
Mining and quarrying.....	34	49,176
Contract construction.....	358	11,774
Manufacturing.....	303	83,149
Transportation, communication and other public utilities.....	194	24,449
Wholesale trade.....	204	17,476
Retail trade.....	1,685	7,846
Finance, insurance and real estate.....	347	11,404
Service industries.....	854	8,408
Agriculture.....	5,382	2,521

¹ Average net income before taxes, 1950; firms include both incorporated and unincorporated. U. S. Bureau of the Census, *Statistical Abstract of the U. S.: 1953*, pp. 478 and 483.

Market Reports Help Farmers To Keep Posted

. . . How Your "Market News" System Is Set Up, and How It Works

THE MARKET REPORTS you hear on your radios and read in your newspapers come from the world's most complete system for gathering and distributing market news. Developed by the U. S. Department of Agriculture and cooperating States over the last 40 years, the system operates to help the farmer get a fair break in the market place.

Among the major economic groups, farmers are the only ones who usually do not set a price on the products they have to sell. They put their produce on the market for whatever price it will bring. Because of this situation, the U. S. Department of Agriculture has been authorized by the Congress to disseminate market news on the principal farm commodities to help keep farmers and others informed on day-to-day price information.

This article and the accompanying map on pages 8 and 9 are published in the *Agricultural Situation* to help give crop and livestock reporters and others a picture of how the market news system is set up and what service it provides. You probably depend on some of these market reports as an aid in the marketing of your own crops and livestock. The Agricultural Marketing Service, which is responsible for market news work in the Department, welcomes your suggestions for making the system more useful to you and your fellow farmers.

Offices in Various Marketing Centers

The Federal-State market news set-up consists of more than 140 reporting offices in the principal marketing centers. About 100 of them are year-round headquarters for reporting market conditions on livestock, fruits and vegetables, dairy and poultry products, grain, cotton, molasses, and naval stores. The other 40 are temporary offices established to report on fruits

and vegetables in season at principal shipping points, and on tobacco in auction markets.

Each weekday morning USDA market reporters go out into the markets to collect information on prices, supply, demand, and other market conditions. They make this information available to local newspapers, radio and television stations, press associations, and trade groups. They also put their reports on a teletype network to other market news offices across the country.

In addition to the one hundred and forty-odd offices covering the various groups of commodities, Washington headquarters for these reporters plus five area information offices summarize the various reports for public distribution. These summaries are transmitted to press associations which wire them immediately to their press and radio clients.

Today's Prices Today

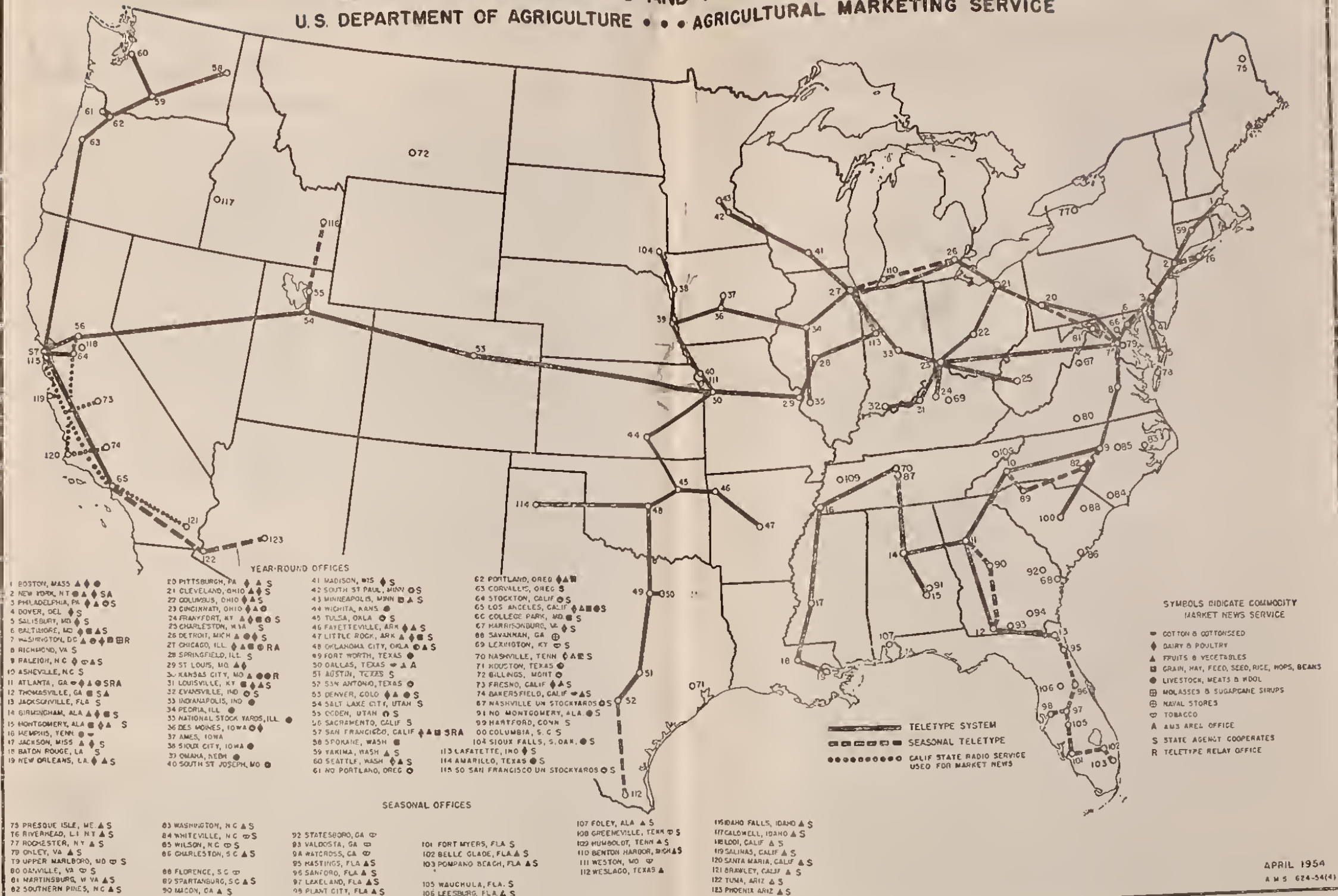
To be of most value, each day's prices should be reported to farmers before the day is over. The market news system in this country has been set up to provide this service. Through the cooperation of the various communications facilities, the reports which Federal-State market news men collected this morning are available on your radio by noon and likely will be in your daily paper tonight or tomorrow morning.

More than 1,400 radio stations and about 1,200 daily newspapers carry market news regularly. Most stations broadcast market reports early each morning, and many of them also have similar programs at noon and early evening. The rapid growth of television also has helped to bring market reports to farmers more effectively. Through these various methods of com-

(Continued on page 10)

MARKET NEWS OFFICES AND TELETYPE SYSTEM 1954

U.S. DEPARTMENT OF AGRICULTURE • • • AGRICULTURAL MARKETING SERVICE



APRIL 1954

AMS 624-34(4)

Market Reports Help Farmers to Keep Posted

(Continued from page 7)

munication, market reports now are available daily in all parts of the United States.

Market news has been proved to be one of the favorite topics for farmer reading and listening. Nearly all radio surveys of farmer preferences have shown that it is one of the top programs along with weather forecasts and general news. Farmers use this method of keeping posted on their markets as a means of obtaining better prices for what they have to sell.

When you have hogs or wheat—cotton, potatoes, or eggs—ready for market, you want to know how prices are running and where is the best place to ship them. A check by radio will bring this information quickly from one or more nearby markets. Many farmers now obtain early morning reports of market trends as soon as they have their produce loaded and then ship to the market that seems likely to have the highest prices for the day.

Farmers Profit by Grading—Consumers Watch for Plentiful Supplies

Another factor important in the marketing of farm produce is uniformity of quality. Classes, grades, and standards have been established by various commodity groups and by the Federal Government to help farmers obtain better prices. Market news men now report prices by grades on most commodities. By knowing these grades and by selling their products according to grades, many farmers now are realizing greater profits in marketing.

Market news is gathered and distributed primarily for the benefit of farmers. It also has proved helpful to shippers, wholesalers, and other trade groups. In recent years, consumers have come to realize that they, too, can profit from market news. They know that when supplies of a commodity become extremely heavy in the wholesale markets, prices usually go down. That means retail prices likely will be lower in a few days. So they watch for market reports of abundant supplies and

lower prices, and make larger purchases of that commodity for immediate use or for canning or freezing.

This application of market information has an indirect advantage to farmers. Concentrated purchases by groups of consumers watching for lower prices tend to reduce market gluts and strengthen the prices which producers receive.

Roy W. Lennartson
Deputy Administrator
Agricultural Marketing Service

Spring Pig Crop Up 13 Percent

FIGURES released by the Crop Reporting Board set this spring's pig crop at 56,066,000 head, an increase of 13 percent from last spring. This increase is the result of an 11-percent increase in sows' farrowings and a record number of pigs saved per litter.

Last December farmers expressed their intentions to increase farrowings by 6 percent. On March 1, a special survey in six Corn Belt States showed plans already had been adjusted upward to a 9-percent increase. The increase finally turned out to be 11 percent.

The trend toward earlier farrowings, which has been evident for several years, shows up plainly in the number of sows farrowing each month. Most of the gain of 828,000 sows farrowing occurred during the first 4 months of the season. Farrowings in February were 34 percent greater than last February.

Compared with 1953 the spring pig crop in the East North Central region is up 12 percent; West North Central, up 14 percent; South Atlantic, up 7 percent; South Central, up 22 percent; West, up 17 percent; while the North Atlantic is down 8 percent.

Reports of breeding intentions indicate that hog producers intend to keep

(Continued on page 11)

Brief Items

of Interest to Farmers

THE FROZEN FRENCH FRIED POTATO is now the second ranking frozen vegetable in retail sales, exceeded only by peas. An estimated 3½ million bushels of Irish potatoes were used for this product (*French-fry style, partially deep fried and frozen*) during the 1953 crop year. Issuance of U. S. standards for grades of this product have been proposed by the USDA . . . "U. S. Grade A" or "U. S. Fancy" and "U. S. Grade B" or "U. S. Extra Standard." Quality below these grades would be classified as "Substandard." The quality would be evaluated primarily by considering the color, freedom from defects, and the texture of the product.

PROCESSING THE THREE MAJOR OILSEEDS is the title of a new report issued by the Agricultural Marketing Service. The report is based on a special survey of the soybean, cottonseed, and flaxseed processors in the United States. It shows where the oilseed mills are located and how much is processed by various extraction methods, plus information about recent changes in the oilseed processing industry.

COTTONSEED OIL MADE AVAILABLE FOR DOMESTIC AND FOREIGN DONATION—The availability of once-refined cot-

10 percent more sows to farrow this fall than last. Farrowings this size with an average litter size (adjusted for upward trend) would produce 10 percent more fall pigs. The combined 1954 spring and fall pig crop is now expected to be about 91 million head.

Information from 6 Corn Belt States showed a 20-percent increase in intentions for summer litters—June through August, and a 2-percent increase for September through November.

The number of hogs 6 months old and over on farms June 1 was 7 percent less than on June 1 last year. Since more sows are ticketed for farrowing fall pigs, the market supply of hogs for the next several weeks will likely be below a year earlier. However, the earliness of the spring pig crop points to volume receipts of spring pigs by mid-summer. At that time slaughter will probably be as large as a year before and during the second half of this year slaughter will exceed that of a year earlier.

Arnold V. Nordquist
Agricultural Marketing Service

tonseed oil for donation to eligible recipients has been announced by USDA. This oil was acquired by the Commodity Credit Corporation through price support programs. The oil made available has been once-refined but is not edible in its present form. After further refining, it may be used as a cooking or salad oil, or processed into shortening, margarine, and other vegetable oil products.

A NEW 35-FOLD UNSWEETENED LIME-JUICE "SUPERCONCENTRATE" has been developed by chemists of USDA's Citrus Products Station at Winter Haven, Fla. The outstanding advantage offered by this product is the saving in space and transportation costs, without flavor loss.

FARM LABOR—About 9¼ million people were at work on farms throughout the country during the week of May 23-29. Family workers accounted for 7,250,000 of total. Increase of about 750,000 in all workers from a month earlier was a little less than usual. Less than usual seasonal rise largely was accounted for by weather which permitted a more even distribution of work.

USDA SPECIALIST REPORTS ON AFRICAN TOBACCO SITUATION—Production of tobacco which competes with United States in European and other markets is likely to continue to expand in many areas of Africa, but the future of flue-cured production in the major exporting areas of Southern Rhodesia, Northern Rhodesia, and Nyasaland will depend largely upon increasing quality and yields. There is presently a world surplus of low-grade tobacco, and the dollar positions, particularly of several Western European countries, have improved. Buyers purchasing in Africa for export are expected to give much more consideration to quality and price than they have in recent years. This, and other information was gained by J. W. Birkhead during a recent study of the tobacco situation in Africa.

NO COTTON EXPORT SUBSIDY DURING 1954-55 MARKETING SEASON—Announcement made well in advance of the new marketing year, which begins August 1, to assure a continued orderly movement of United States cotton in the international trade. Secretary Benson said: "At the beginning of the 1953-54 marketing season for cotton . . . I announced that we would not institute an export subsidy on cotton during the 1953-54 marketing season. That announcement proved effective in helping to provide orderly marketing for the 1953 crop. Today, with foreign cotton substantially in line pricewise with our own cotton, there would appear to be every reason to continue during the 1954-55 season the same export policy we adopted last year . . ."

THE AMERICAN COUNTRY LIFE ASSOCIATION, whose purpose is to encourage and promote wholesome rural life for America, will hold its annual conference this year at East Lansing, Mich., from September 14 to 16. According to ACLA President Paul C. Johnson, the program committee

(Continued on page 12)

Outlook Highlights

(Continued from page 2)

HOG PRICES are expected to begin the seasonal decline earlier this year—a decline which will carry them below a year ago. Prices in the last half of the year, nevertheless, are expected to remain relatively favorable to producers. Prices of light to medium weight hogs in early June averaged somewhat above early June prices of last year, while prices of sows and heavy barrows were below 1953 prices.

OUTPUT OF CHICKS for laying flock replacement in May dropped below that of a year earlier for the first month in 1954. Because of sharp increase in early hatch, however, number of young chickens on farms June 1 was 7 percent above a year earlier. Chicks placed on farms before April will be laying this fall and winter, indicating heavy egg production at that time.

BROILER PRICES have strengthened in recent weeks. However, marketings will continue large in next few months and supplies of other poultry are increasing seasonally.

FARMERS' PRICES for milk and butterfat are expected to continue near June levels the remainder of this year, except for seasonal increases for milk in a number of fluid milksheds. Except for butter, reductions in prices paid farmers for manufacturing milk have been slow to pass through to retail level.

The decline in American cheese and evaporated milk has been less than half the drop in support prices. Prices of ice cream in pint containers are down only slightly, though in many parts of the country substantial reductions have been made for purchases in large containers. Further declines in consumer prices are expected.

PRICES OF CORN are likely to continue stable this summer. Although supplies of "free corn" are relatively tight because of large quantity held under price support, the CCC is selling 1948 and 1949 corn at current market prices. Record carryover—probably around 950 million bushels—is expected when current marketing season ends next October 1. Seasonal price declines for other feed grains will occur this summer if growing conditions for the new crops continue favorable.

RECORD FOREIGN CONSUMPTION OF COTTON and smaller foreign supplies have stimulated United States exports in recent months. Exports in April totaled 418,000 running bales, largest for the month since 1951. According to trade reports, exports continued high in May. Stocks of cotton in the foreign free world at the end of this season are expected to be down to lowest level since 1949. Practically no surplus will be available in foreign net-exporting countries.

ABOUT 30 PERCENT FEWER 1953 CROP SOYBEANS are available for crushing in June–September than was true for 1952 crop soybeans in the same period of 1952–53. Record quantities have been exported and the 1953 crop was the smallest since

1949. Soybean prices, though down considerably from late April, are still relatively high.

PROSPECTS FOR TOBACCO PRODUCTION and carryover indicate that supplies of the two main cigarette types—flue-cured and Burley—for 1954–55 will be up a little from 1953–54. About as many cigarettes are expected to be produced as this year. Exports of all types of tobacco for the current fiscal year are expected to total about 530 millions pounds (farm sales weight), 5 percent more than last year. The outlook points to an increase for 1954–55.

OUTPUT OF SUMMER VEGETABLE CROPS is expected to be 8 percent above 1953 and 14 percent above average. Demand for fresh vegetables is expected to continue relatively strong.

FEWER POTATOES probably will be marketed in the next month or so than a year earlier unless advanced shipments from late States are heavier than last year. Potato prices in May averaged above a year earlier for the first month in 1954.

Brief Items . . .

(Continued from page 11)

this year is giving special attention to changes wrought in the rural community by city people moving out in the country to establish homes. "This," he says, "has brought problems of zoning, schools, sanitation, health, youth programs, and many others." Anyone interested in promoting effective rural institutions and wholesome rural living is invited to attend the conference.

A **NEW PEACH VARIETY**, the "Redglobe," has been announced by USDA. It produces medium to large peaches of bright, attractive color, firm and fine-textured flesh, and of good flavor. Its firmness permits the new variety to be shipped long distances and it stands up longer in storage. Although Redglobe is especially suited to the Pacific coast, it is also adapted to areas where the Elberta peach is grown, but the new variety ripens about 15 days earlier than the Elberta. This peach was developed by the USDA in cooperation with several State and Federal experiment stations. Researchers say a limited quantity of Redglobe trees should be available for planting by late 1955. Thus fruit from the new variety should show up on the market 3 to 4 years later.

MEXICO ABOUT FREE OF FOOT-AND-MOUTH DISEASE

Secretary Benson has announced that if present favorable conditions with respect to foot-and-mouth disease in Mexico continue and no more outbreaks occur, he will declare Mexico free of the disease as of Dec. 31, 1954. On that date the United States-Mexican border will be open to imports of livestock and livestock products. The Joint Mexican-United States Commission for Prevention of Foot and Mouth Disease have agreed on testing and inspection procedures for the remainder of the year to guard against recurrence of the disease.

"Bert" Newell's Letter . . .

To Crop and Livestock Reporters

AFTER I wrote you about the wedding in my family I began to feel like it was a sort of silly thing to do. A funny thing happened, though, I had a number of letters and actually 2 or 3 telephone calls about it. Now since several have asked questions and I promised to tell you how it all came out, I guess I'd better report briefly.

Everything went fine—all because Mrs. Newell is probably the best planner and organizer that ever was. It was a beautiful day, my daughter was lovely, and my new son is a fine young man. Only one thing happened that should not have, and, of course, I was the culprit. Actually, it didn't amount to anything, so I'm not even going to talk about such a minor detail.

You know, sometimes it seems to me we are inclined to dwell too much on minor details, and doing so, overlook the more important things. Now I don't mean we should slight details, or pass over mistakes lightly. (A statistician wouldn't live very long if he did.) But I don't think we should make ourselves miserable by picking out little faults with everything.

Just recently, at a party, I enjoyed listening to a group of about 20 ladies sing. They were not professionals, and their practice time had been limited, but they all had good voices and liked to sing. I just sat there and drifted off into the clouds with their songs, and all in all had a wonderful time. After it was over I remarked to a friend how good I thought the chorus was and how much I had enjoyed it. His only reply was that one of the altos slipped off at one point and a soprano didn't hit high something-or-other quite as clearly as she should have.

Now I think I have a pretty good ear for tone and I didn't hear any sour notes. But there he was, making himself miserable, picking out minor details in what had been pleasing to 99 percent of the people there. I doubt if any of the ladies in the group could hit

high C, or high something-else, like a grand opera coloratura, but the whole job was good. The music sort of took you out of yourself for a while and made you feel warm and good inside.

Now you may be thinking that this is a queer way for a statistician to be talking. We never take anything for granted. We always look for errors even to the third or fourth decimal place. We are generally thought of as a pretty dismal lot of folks, but actually we're not. Mostly, we are just about like you, and I guess that's natural because all of us have a farm background.

When you prepare a field you no doubt try to do a perfect job. But if there's a soggy spot where you can't make it perfect, you don't go around crying about it and condemning the practically perfect job you did on the rest. You may have it in your plans, when you get a few extra dollars or some slack time, to fix that place up; but in the meantime, you go ahead with the big job.

Well, in this crop and livestock reporting work, we have to do about the same thing. We know there are places in some of *our* fields we would like to improve, but we have just so much equipment to work with and we have to do the very best we can with what we have. Just for example, we have a low spot in our corn field and a lot of you folks have told us about it. During the season, many of you have asked for more frequent reports on corn production and, at the end of the season, a report on the average moisture content of the crop.

Then, too, our berry patch is in kind of bad shape. A lot of producers have been after us to give them estimates on production of blueberries, blackberries, and a number of other small fruits where there is no information at the present time. And the producers of these crops say they need the service pretty bad. These are just two exam-

ples. There are many others. And we would like the best in the world to fix them up, but there is just no way to do it right now. We will get to it one of these days. In the meantime, we are not pouting, but going ahead with the big job as thoroughly as we possibly can.

We are doing one thing right now, which I think would be of interest to every reporter. I refer to the studies we are making in the 10 "rainfall" cotton States. Here we are experimenting with some new tools in an effort to find ways of doing our job better. Our men will be out through the 10 Southern

States during the next 2 or 3 months. If you should happen to run into them, I would certainly appreciate it if you will give them a hand.

These crop, livestock, price, and all the other reports are of such vital importance to you and everybody else, we feel we should leave no stone unturned to discover and put into practice those methods which will enable us to give you the most accurate and complete report that is possible. All we are trying to do is to find out if there's any way we can improve our service to you as farmers and businessmen.

Sterling R. Newell, *Chairman*
Crop Reporting Board, AMS

Prices of Farm Products

[Estimates of average prices received by farmers at local farm markets based on reports to the Agricultural Marketing Service. Average of reports covering the United States weighted according to relative importance of district and State]

Commodity	Average		June 15, 1953	May 15, 1954	June 15, 1954	Effective parity price June 15, 1954 ²
	Base period price ¹	January 1947-December 1949				
Basic commodities:						
Cotton, American upland (pound).....cents	\$ 12.4	31.21	31.51	32.17	32.31	34.97
Wheat (bushel).....dollars	4.884	2.14	1.88	2.00	1.91	2.49
Rice (cwt.).....do	1.94	5.38	6.70	4.88	4.18	5.47
Corn (bushel).....do	4.642	1.64	1.46	1.47	1.49	1.81
Peanuts (pound).....cents	4 4.8	10.2	11.1	11.2	11.2	13.5
Designated nonbasic commodities:						
Potatoes (bushel).....dollars	5.535	1.48	.838	1.34	1.51	1.51
Butterfat in cream (pound).....cents	26.5	71.2	65.2	56.2	55.9	74.7
All milk, wholesale (100 lb.) ⁴dollars	1.68	4.42	3.90	3.51	3.48	4.74
Wool (pound).....cents	\$ 20.9	46.0	56.0	54.3	55.2	58.9
Other nonbasic commodities:						
Barley (bushel).....dollars	.484	1.37	1.16	1.08	1.05	1.36
Cottonseed (ton).....do	25.50	71.60	61.20	51.40	51.40	71.90
Flaxseed (bushel).....do	1.60	5.54	3.33	3.64	3.48	4.51
Oats (bushel).....do	.311	.852	.705	.766	.735	.877
Rye (bushel).....do	.605	1.82	1.28	1.02	.960	1.71
Sorghum, grain (100 lb.).....do	4 1.21	2.53	2.39	2.47	2.27	2 2.56
Soybeans (bushel).....do	1.00	2.84	2.66	3.55	3.49	2.82
Sweetpotatoes (bushel).....do	.988	2.36	3.98	2.63	2.70	2.79
Beef cattle (100 lb.).....do	7.50	20.20	16.00	17.60	16.90	21.20
All chickens (pound).....cents	10.6	29.3	25.2	22.5	22.6	29.9
Eggs (dozen).....do	16.6	46.6	45.7	33.1	32.9	46.8
Hogs (100 lb.).....dollars	7.34	21.90	22.80	25.70	21.70	20.70
Lambs (100 lb.).....do	8.16	21.90	21.80	21.80	20.30	23.00
Calves (100 lb.).....do	8.28	22.60	16.50	18.40	17.50	23.30
Oranges, on tree (box).....do	2 2.29	1.23	1.94	1.99	2.30	3 3.09
Apples (bushel).....do	1.00	2.39	3.25	3.44	3.54	2.82
Hay, baled (ton).....do	4 11.87	22.40	20.80	21.80	20.40	25.10

¹ Adjusted base period prices 1910-14 used for computing parity prices. Based on 120-month average January 1944-December 1953 unless otherwise noted.

² Parity prices are computed under the provisions of title III, subtitle A, section 301 (a) of the Agricultural Adjustment Act of 1938 as amended by the Agricultural Acts of 1948 and 1949.

³ 60-month average, August 1909-July 1914 for all cotton.

⁴ 60-month average, August 1909-July 1914.

⁵ Adjust base period price 1910-14 derived from 10-season average prices 1944-53.

⁶ Prices received by farmers are estimates for the month.

⁷ Preliminary.

⁸ 10-season average 1919-28.

⁹ Transitional parity, 75 percent of parity price computed under formula in use prior to Jan. 1, 1950.

Economic Trends Affecting Agriculture

Year and month	Industrial production (1947-49=100) ¹	Total personal income payments (1947-49=100) ²	Average earnings of factory workers per worker (1910-14=100)	Wholesale prices of all commodities (1910-14=100) ³	Index numbers of prices paid by farmers (1910-14=100)			Index numbers of prices received by farmers (1910-14=100)			
					Commodities	Wage rates for hired farm labor ⁴	Commodities, interest, taxes and wage rates	Livestock and products			
								Dairy products	Poultry and eggs	Meat animals	All livestock
1910-14 average.....			100	100	100	100	100	100	100	100	100
1925-29 average.....	53		232	143	151	184	161	161	155	145	152
1935-39 average.....	54	40	199	118	124	121	125	119	110	117	116
1947-49 average.....	100	100	462	225	240	430	250	275	229	334	292
1950 average.....	112	112	515	232	246	425	256	249	186	340	280
1951 average.....	120	126	563	258	271	470	282	286	228	409	336
1952 average.....	124	133	593	251	273	503	287	302	206	353	306
1953 average.....	134	141	624	247	262	513	279	273	221	298	273
<i>1953</i>											
June.....	136	142	628	246	260		277	255	213	300	267
July.....	137	142	621	249	261	514	279	261	223	319	280
August.....	136	142	624	248	262		279	265	229	305	276
September.....	133	142	622	249	259		277	275	230	299	276
October.....	132	142	629	248	258	515	276	282	234	273	266
November.....	129	142	624	247	259		277	288	224	267	263
December.....	126	141	630	247	260		278	282	218	285	269
<i>1954</i>											
January.....	125	140	618	249	263	525	282	274	213	309	277
February.....	124	140	622	248	264		282	267	208	315	277
March.....	123	140	617	248	264		283	257	188	316	271
April.....	123	140	612	249	265	507	283	237	178	333	271
May.....	125		620	249	267		284	230	168	331	267
June.....					264		282	229	168	299	251

Year and month	Index numbers of prices received by farmers (1910-14=100)								All crops and live-stock	Parity ratio ⁸
	Crops									
	Food grains	Feed grains and hay	Tobacco	Cotton	Oil-bearing crops	Fruit	Commercial vegetables	All crops		
1910-14 average	100	100	100	100	100	100		100	100	100
1925-29 average	140	118	169	150	135	146	145	143	148	92
1935-39 average	94	96	172	87	113	91	107	98	108	86
1947-49 average	246	230	384	264	318	183	249	247	271	108
1950 average	224	193	402	282	276	194	211	233	258	101
1951 average	243	226	436	336	339	181	269	265	302	107
1952 average	244	234	432	310	296	191	274	267	288	100
1953 average	231	208	429	268	274	206	240	242	258	92
1953										
June	222	204	425	267	280	219	298	246	257	93
July	218	204	426	270	268	193	252	237	260	93
August	215	205	430	278	263	185	207	232	255	91
September	219	207	452	280	251	204	191	235	257	93
October	223	194	439	275	255	189	198	229	249	90
November	229	195	433	269	263	205	218	234	249	90
December	230	205	427	260	269	237	224	238	254	91
1954										
January	233	207	420	254	268	222	271	240	259	92
February	236	208	443	258	269	210	233	237	258	91
March	238	208	443	263	275	212	246	239	256	90
April	234	208	443	267	283	217	225	240	257	91
May	227	207	446	272	286	215	279	249	258	91
June	216	205	445	274	283	240	200	244	248	88

¹ Federal Reserve Board: represents output of mining and manufacturing; monthly data adjusted for seasonal variation.

² Computed from reports of the Department of Commerce; monthly data adjusted for seasonal variation.

³ Bureau of Labor Statistics.

⁴ Farm wage rates simple averages of quarterly data, seasonally adjusted.

⁵ Revised.

⁶ Ratio of index of prices received to index of prices paid, interest, taxes, and wage rates. This parity ratio will not necessarily be identical to a weighted average percent of parity for all farm products, largely because parity prices for some products are on a transitional basis.

Controls On Next Year's Wheat

Referendum, July 23

SECRETARY OF AGRICULTURE BENSON has announced a 55-million-acre wheat allotment for 1955 (*the minimum permitted by controlling legislation*) and has called a referendum on wheat marketing quotas for next year, to be held July 23.

The Secretary also announced some changes in the general requirements of eligibility for price support on 1955 crops.

Two-thirds of the eligible wheat producers who vote in the July 23 referendum must approve marketing quotas before they can be put into effect. If they are approved, producers who stay within the wheat acreage allotted for their farms—and also comply with any other established allotments—will be eligible for the full price support which is in effect. Farmers who are not within their allotments are *not* eligible for price support and are subject to the marketing quota penalties on excess wheat.

Legislation specifies that when wheat marketing quotas are disapproved by growers in a referendum, the price support shall be 50 percent of parity as of the beginning of the marketing year.

Producers will be required to comply with specific crop allotments assigned to the farm and with the total allotment, if one is assigned to the farm, before any crop from the farm can be placed under price support. Total allotments will be established for all farms on which the specific crop allot-

ments call for the diversion of more than 10 acres from allotment crops.

Acreage Limits in Effect Regardless of Referendum

Since wheat acreage allotments will remain in effect regardless of the outcome of the wheat marketing quota referendum, "cross compliance" with all acreage allotments for price support purposes will not be affected by the referendum.

Farmers may obtain further information from County Agricultural Conservation and Stabilization offices.

UNITED STATES
DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
WASHINGTON 25, D. C.
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, \$300
(GPO)